

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE APPLICATION OF USA MOBILE)	
COMMUNICATIONS, INC. II FOR AN)	
ORDER AUTHORIZING THE)	
ASSUMPTION OF INDEBTEDNESS)	
PURSUANT TO KRS 278.300, OR,)	CASE NO. 97-144
ALTERNATIVELY FOR AN ORDER)	
EXEMPTING THE COMPANY FROM)	
THE PROVISIONS OF KRS 278.300)	
PURSUANT TO KRS 278.514)	

O R D E R

On March 19, 1997, USA Mobile Communications, Inc. II ("USA II") applied to the Commission for authority to assume indebtedness pursuant to KRS 278.300. USA II requested in the alternative an exemption pursuant to KRS 278.512 and KRS 278.514. USA II offers two-way mobile service in Kentucky. The assumption of indebtedness according to USA II is necessary to finance continued expansion and operations. A description of the assumption of indebtedness is contained in the first amended and restated credit agreement attached as Exhibit A to the application.

KRS 278.300 prohibits any utility from issuing securities or evidences of indebtedness without prior approval of the Commission. The Commission finds that the proposed financial transactions are for a lawful object within USA II's corporate purposes, are necessary and appropriate for and are consistent with the proper performance of its service to the public, and are consistent with the requirements of KRS 278.300 and should be approved.

Having granted approval for the issuance of an evidence of indebtedness pursuant to KRS 278.300, the Commission need not address USA II's request for a statutory exemption.


IT IS THEREFORE ORDERED that the approval sought by USA II for the assumption of indebtedness as described in its application is granted.


Nothing contained herein shall be construed as a finding of value for any purpose or as a warranty on the part of the Commonwealth of Kentucky, or any agency thereof, as to the securities authorized herein.

Done at Frankfort, Kentucky, this 16th day of May, 1997.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director